

Spending Flex Allowance

Three Employees Share Their Benefit Selection

When an employee enrolls in Smartflex™, they have a set amount of flex allowance to spend on insurance benefits. The flex allowance comes from the employee's tax savings when they enroll.

The flex is based on the employee's gross pay, tax filing status and deductions before adding Smartflex and set at the time of enrollment.

Employees will choose from cafeteria plan insurance benefits and post-tax insurance benefits: both of which are paid for using

the flex allowance. There is also an administrative fee from Smartflex that is deducted from the employee's flex allowance.

If an employee does not spend all their flex allowance, they forfeit the leftover amount, which will lower their reimbursement. Any overspending of their flex allowance will reduce their take-home pay by amount overspent.

The three employees shown below are illustrations of how an employee might spend their flex. Employer plans will vary per group.



Martha: Age 62

Weekly Flex Allowance: \$62.00

Total Café Premium: \$277.00

- Smartflex Benefits: \$260.74
- (Flex) Critical Illness: \$4.72
- (Flex) Smartflex Admin: \$11.54
- (Flex) Life Insurance: \$43.05

Remaining Unspent Flex: \$2.69

Reimbursement: \$258.05

Change to Take-Home Pay: \$0



Bernardino: Age 30

SemiMonthly Flex Allowance: \$210.90

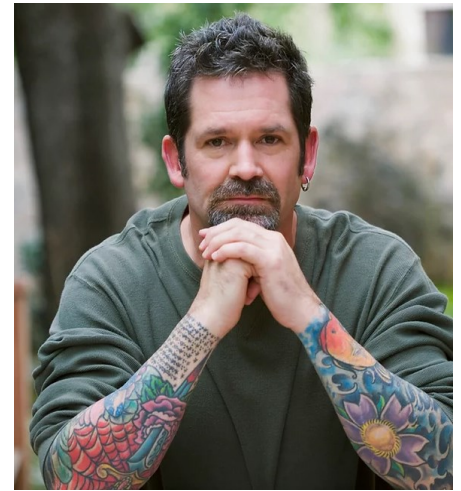
Total Café Premium: \$600.00

- Smartflex Benefits: \$552.92
- (Flex) Accident Plan: \$5.83
- (Flex) Hospital Indemnity: \$16.25
- (Flex) Smartflex Admin: \$25.00
- (Flex) Life Insurance: \$163.82

Remaining Unspent Flex: \$0

Reimbursement: \$552.92

Change to Take-Home Pay: \$0



Jarslov: Age 40

BiWeekly Flex Allowance: \$137.84

Total Café Premium: \$553.85

- Smartflex Benefits: \$515.04
- (Flex) Disability: \$15.74
- (Flex) Smartflex Admin: \$23.07
- (Flex) Life Insurance: \$95.00

Remaining Unspent Flex: \$4.03

Reimbursement: \$511.01

Change to Take-Home Pay: \$0